## PUBLIC EMPLOYEES' RETIREMENT SYSTEM

of the

STATE OF MONTANA 1959-1960

### FIFTEENTH ANNUAL REPORT



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Honorable J. Hugo Aronson Governor of Montana State Capitol Helena, Montana

### Dear Governor Aronson:

The Board of Administration of the Public Employees' Retirement System of Montana herewith respectfully presents the Fifteenth Annual Report of its operations and progress during the fiscal year of 1959-60 in compliance with the provisions of Section 68-501 (c), Revised Codes of Montana, 1947.

We have enjoyed continued growth in our assets during the past fiscal year and take great pleasure in noting that the Public Employees' Retirement System, in conjunction with the supplementary coverage provided under Social Security, contributes appreciably to the improvement of the personnel standards of the departments of the State of Montana and the member political subdivisions by retaining efficient, economical and stable public employees, by providing a retirement program which more adequately serves the needs of those public employees who become superannuated, disabled, or die in public service without any hardship or prejudice, and by providing such measure of security which will insure greater devotion to their public service during the most productive years of their lives.

We appreciate the opportunity of being able to serve in providing improved and more complete benefits to the faithful and deserving public employees and their beneficiaries, and trust that we may always be able to reward their devoted service to the State of Montana and its political subdivisions with the full measure of security that it merits.

Respectfully submitted,

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

John F. Sasek, Secretary



### REPORT AS OF JUNE 30, 1960

For the Period Beginning July 1, 1959, and Ending June 30, 1960

### BOARD OF ADMINISTRATION

IRVIN E. SNYDER, Helena	President
FRED L. HILL, Great Falls.	Vice-President
MRS. ELMER SCHYE, White Sulphur Springs	Member
MALCOLM BOWDEN, Helena	Member
HUBERT G. WHITE, Townsend	Member

### ADMINISTRATIVE STAFF

TOHN F. SASEK	 	Secretary
EDWARD D. LITTLE	 	 Chief Accountant
MICHAEL J. HUGHES	 	 Attorney
FLOYD E. YOUNG		Consulting Actuary

### HISTORY AND GROWTH

### HISTORY

The 1945 Legislature enacted the Public Employees Retirement Law which was signed by the Governor in March of 1945 and became effective on July 1, 1945.

The expressed purpose of the Retirement Act is to effect economy and efficiency in the public service by providing a means whereby employees who become superannuated or otherwise incapacitated may, without hardship or prejudice, be replaced by more capable employees, and to that end providing a retirement system consisting of retirement compensation and death benefits.

The Retirement System provides automatic coverage for the eligible public employees of all departments of the State of Montana and the contracting political subdivisions which have elected membership.

### **GROWTH**

Benefit claims have increased from one (1) at the end of the first fiscal year ending on June 30, 1946, to 2 934 by the end of the fiscal year ending June 30, 1960. Of this amount 1,669 have been retired under service retirements, 338 under ordinary disability retirements, 130 under industrial disability retirements. Seventy-three (73) have received monthly survivorship annuities as death benefits and 724 have received lump sum death benefits.

As of June 30, 1946, 310 employees of 12 political subdivisions and 1,984 state department employees were covered by the Retirement Act. As of June 30, 1960, 7,343 employees of 233 political subdivisions and 8,332 state department employees were covered by the Retirement Act for a total of 15,675 members.

The assets of the system have grown from \$174,466.21 at June 30,  $194\overline{s}$ , to \$22,436,027.48 at June 30, 1960. Benefit payments have increased from none at the end of fiscal 1945-46 to \$1,662.693.08 for the fiscal year ending June 30, 1960.

### INCOME AND DISBURSEMENTS 1959-60

Assets as of June 30 1959			\$19	,663,743.98
INCOME FOR YEAR ENDING JUNE 30, 1960				
Interest on Investments Employees' Contributions Employers' Contributions Contributions to Expense Appreciation Bond Write-up		858,148.12 3,027,447.45 1,489,477.22 163,344.30 4,600.00		
TOTAL INCOME			\$ 5	,543,017.09
BALANCE CARRIED FORWARD			\$25	,206,761.07
DISBURSEMENTS FOR YEAR ENDING JUNE 30, 1960:				
Capital Disbursements:				
Retirement Payments—A.R.F. Retirement Payments—P.A.F. Ordinary Disability Payments—A.R.F. Ordinary Disability Payments—P.A.F. Industrial Disability Payments—A.R.F. Industrial Disability Payments—P.A.F. Survivorship Payments—A.R.F. Survivorship Payments—P.A.F. Death Payments—A.S.F. Refunds Death Payments—P.A.F. Employees' Savings Refunds		198,192.16 905,679.94 23,101.73 93,716.10 8,794.50 198,490.10 11,418.60 46,398.39 97,858.36 79,048.18 1,008,515.54		
TOTAL CAPITAL DISBURSEMENTS			\$ 2	,671,213.60
Investment Disbursements:				
*Bank Service Charge Premium Charge Off—Bonds and Mortgages Interest Purchased on Investments		40,944.53 15,880.52 2,150.86		
TOTAL INVESTMENT DISBURSEMENTS	• • • • • •		\$	18,031.38
*Bank Service Charge is not included in the total as this charge is with before making remittance to the Retirement System.	helo	d by the set	vicii	ng agency
Disbursements for Administrative Expense:				
Salaries Legal and Actuarial Fees Travel Expense, Employees Travel Expense, Board Members Per Diem, Board Members Telephone & Telegraph Printing Postage Supplies Service Contracts Insurance and Bonds Dues Medical and Investigation Expense Departmental Contribution to PERS & Social Security Depreciation, Furniture & Fixtures Miscellaneous		53,857.90 8,102.65 3,567.43 1,766.46 490.00 895.14 2,566.49 1,171.29 1,426.79 1,030.46 388.46 80.00 556.80 3,223.30 1,592.63 772.81	Œ.	81 488 61
TOTAL ADMINISTRATIVE EXPENSE				81,488.61
TOTAL DISBURSEMENTS				2,770,733.59
BALANCE—June 30, 1960			\$22	2,436,027.48

### ASSETS AND LIABILITIES STATEMENT

LEDGER ASSETS:			
*Cash *Bonds, U. S. Gavernment *Bonds, Montana Municipals **Mortgage Loans (V.A. and F.H.A.) Furniture and Fixtures TOTAL LEDGER ASSETS.		\$ 426,258.45 7,181,948.45 5,151.364.51 9,669,445.02 7,011.04	3 43t U27.48
NON-LEDGER ASSETS:			
Accrued Interest  Present Value Future State Contribution TOTAL NON-LEDGER ASSETS TOTAL ASSETS		\$ 114,845.06 14 885 133.94	\$14,999,979.00 \$37,436,006.48
LEDGER LIABILITIES:			407,100,000.70
Interest Account Employees' Savings Account. Employees' Annuity Reserve Fund Pension Accumulation Fund Expense Fund Annuity Savings Interest Reserve.		\$ 13,303 884.76 2,236,707.62 4,856,078.80 2,747.87 2,036,608.43	
TOTAL LEDGER LIABILITIES			\$22,436,027.48
NON-LEDGER LIABILITIES: REQUIRED STATE RESERVE FOR PRIOR AND CREDITAL	RIE CERVICE.		
Life Insurance  ÷Additional Pension Reserve: Pensions Disabilities		\$ 87,200.00 6,472,332.00 627,514.00 245,455.00 7,567,478.00	
TOTAL NON-LEDGER LIABILITIES TOTAL LIABILITIES			\$14,999,979.00 \$37 436 006.48
*On Deposit with State Treasurer **Held in Retirement System Office #The interest account has been distributed as follows:			
Transferred to the Reserve for interest required on Ann Transferred to A. R. F Transferred to P. A. F TOTAL TRANSFERRED			\$ 456,405.31 59,756.99 328,554.44 \$ 844,716.74
			- O11, 10.7 1

This transfer was effected in accordance with the computations of the Actuary.

**†**Until such time as prior service is completely certified, the additional pension reserve for service pensions must necessarily be an approximation.

The ledger assets and ledger liabilities, in detail, were examined and verified by the office of the State Examiner and a copy of the report of that examination is on file in the Retirement Office available for inspection.

### COMPARISON CHART OF ASSETS AND LIABILITIES

	1958-59	1959-60		
Capital Discursements	\$ 2,373,112.29	\$ 2 671 213.60	LT	13.5
Administrative Expense	69,141.46	81,488.61	Un	17.80
Assets at end if year	19,663,743.98	22,436 (27,48	Ui	14.10
Investments at end of year	19 479 333.84	.11 nn2 75".99	Ur	12.95
Ratio of Administrative Expense to Assets	.003516	.013632	Ur	.30011€
*Ratio of Administrative Excense to Total Expense	.0283	.129-	Ur	10013

<sup>\*</sup>The total expense transe dies not include dishursaments on investments in these dishursaments are in part recoverable as accrued interest and the remail ider are assisted in total yield from investments.

### RECAPITULATION OF INVESTMENTS: (Book Value)

MONTANA MUNICIPAL BONDS	\$ 5,151,364.51	
UNITED STATES GOVERNMENT BONDS:		
Series "A"	\$ 600,000.00	
Series "B"	104,000.00	
Series "G"	900,000.00	
Series "J"	162,400.00	
Series "K"	885,000.00	
Series "78-83"	2,485,160.96	
Series "1980"	415,800.00	
Series "1990"	669,000.00	
Series "1995," 3%	960,587.50	
TOTAL UNITED STATES GOVERNMENT BONDS	\$ 7,181,948.46	
MORTGAGES:		
F.H.A. Mortgages Veterans Administration	\$ 6,461,985.20	
(G.l. Insured Mortgages)	3,207,459.82	
TOTAL INSURED MORTGAGESTOTAL INVESTMENTS		\$22 <b>002 757 0</b> 0
TOTAL INVESTMENTS	 	ф22,002,737.33
As of June 30, 1960, the amount of funds \$426,258.45. A percentage accounting of investigations		
MONTANA MUNICIPAL BONDS	 	22.9674%
UNITED STATES GOVERNMENT BONDS		

	100.000%
AVAILABLE BUT NOT INVESTED.	1.9005%
F.H.A. & V.A. INSURED MORTGAGES	43.1113%
UNITED STATES GOVERNMENT BONDS	32.0208%
MONTANA MUNICIPAL BONDS	22.9674%

The investments recapitulated above have been examined by the State Examiner's Department of the State of Montana and have been declared in balance. The United States Government Bonds and Montana Municipal Bonds are held in the custody of the Montana State Treasurer. The records on mortgages are held in the Retirement System office.

Detail as to numbers, maturity dates, investment yield, and other data is a matter of record in the Retirement System office and may be inspected upon request.

### INVESTMENTS AND RECAPITULATION OF MORTGAGES AND MONTANA MUNICIPAL BONDS BY COUNTY

~ O ! ! \		RTGAGES	MUNICIPAL	TOTAL
COUNTIES:	FHA	VA	BONDS	
Beaverhead. Big Horn Blaine Broadwater. Carbon	\$ 52,964.87 7,074.04 86,362.06 19,854.76	\$ 9,608.31 11,109.54 8,324.62 9,023.60	\$ 50,000.00 71,000.00 82,200.00	\$ 62,573.18 68,183.58 79,324.62 177,585.66 19,854.76
Cascade Chouteau Custer Daniels Dawson Deer Lodge Fallon Fergus Flathead Gallatin Glacier Granite	571,384.83 55,016.83 12,770.73 609,374.12 791,023.12 10,106.95 48,741.58 232,290.89 692,914.47 4,901.40	143,713.17 5,464.59 7,914.97 260,742.18 69,138.50 106,215.99 11,766.13 102,843.97 98,862.80	40,885.31 37,500.00 10,000.00 50,000.00 68,000.00 274,623.87 324,400.00 92,000.00 378,082.49 22,767.93 143,314.49 10,000.00	755,983.31 42,964.59 72,931.80 62,770.73 938,116.30 1,134,785.49 440,722.94 152,507.71 713,217.35 814,545.20 148,215.89 10,000.00
HillJefferson*Judith Basin	82,556.40 11,556.58	25,504.45	375,100.00 48,000.00 115,500.00	483,160.85 59,556.58 115,500.00
Lake Lewis and Clark Lincoln Madison* McCone	1,055,459.67 40,372.36 7,363.39	13,033.69 153,526.80 4,712.61	33,200.00 121,000.00 172,875.00 31,000.00	46,233.69 1,329,986.47 213,247.36 35,712.61 7,363.39
Meagher	10,272.56 31,527.95 114,717.47 151,229.73 19,036.40	48,282.09	87,250.00 54,000.00 109,000.00 61,824.47	97,522.56 85,527.95 271,999.56 151,229.73 80,860.87
PonderaPowder River Powell Ravalli Richland.	- 22,916.83 9,696.37	13,703.85 12,560.10 12,924.31	233,452.71 120,000.00 265,000.00 40,000.00 76,000.00	247,156.56 120,000.00 277,560.10 62,916.83 98,620.68
Roosevelt Rosebud Sanders Sheridan Silver Bow Stillwater	77,911.90 58,513.22 54,236.99 29,722.70 179,753.44 15,717.88	2,576.87 41,673.82 5,149.69	95,000.00 34,721.67 87,750.00 649,143.39	80,488.77 195,187.04 88,958.66 122,622.39 828,896.83 15,717.88
Sweet Grass Teton Toole Treasure Valley Wheatland Wibaux	380,759.93 46,483.93 56,453.81	8,780.41 75 521.33	219,000.00 283,400.00 25,000.00 99,000.00	11,164.87 219,000.00 292,180.41 25,000.00 555,281.26 46,483.93 56.453.81
Yellowstone . TOTALS	799,780.17 \$ 6,461,985.20	1,944,781.43 \$ 3 207 459.82	\$ 5,151,364.51	2 804,934.78 \$14,820,809.53

<sup>\*</sup>Joint School Districts 4 and 47 of Jefferson and Madison Counties are represented by \$31,000.00 of bonds listed under Madison County.

### GROWTH OF ASSETS

Assets as of	6-30-46	\$	174,466.21
	6-30-47		641,449.61
	6-30-48		1,494,763.04
	6-30-49		2,575,950.55
	6-30-50		3,703,567.43
	6-30-51		4,852,885.50
	6-30-52		6,118,248.38
	6-30-53.		7,732,151.25
	6-30-54		9,188,971.92
	6-30-55	]	10,843,433.14
	6-30-56	]	12,648,467.38
	6-30-57	]	14,733,266.40
	6-30-58	]	17,284,870.97
	6-30-59		19,479,333.84
	6-30-60	2	22,436,027.48

### GROWTH OF BENEFIT PAYMENTS

7-1-45 to 6-30-46	\$	0
7-1-46 to 6-30-47		42,455.27
7-1-47 to 6-30-48		108,176.20
7-1-48 to 6-30-49.		210,881.29
7-1-49 to 6-30-50		284,350.55
7-1-50 to 6-30-51		408,325.40
7-1-51 to 6-30-52.		480,431.07
7-1-52 to 6-30-53.		557,814.34
7-1-53 to 6-30-54		638,258.15
7-1-54 to 6-30-55		745,992.75
7-1-55 to 6-30-56		328,454.85
7-1-56 to 6-30-57		997,160.76
7-1-57 to 6-30-58	1	,227,099.29
7-1-58 to 6-30-59	1	,352,383.16
7-1-59 to 6-30-60	1	,662,698.06

### ANALYSIS OF INTEREST EARNINGS

Montana Municipal Bonds: (7-1-59 to 6-30-60)		\$183,726.21
less interest purchased.		
less premium paid	11,535.02	13,159.78
Net Interest on Municipal Bonds		\$170,566.43
Yield on Montana Municipal Bonds 7-1-59 to 6-30-60		3.31%
United States Government Bonds: (7-1-59 to 6-30-60).		\$223,561.23
plus appreciation bond write-up		4,600.00
		\$228,161.23
less interest purchased		4,345.50
Net Interest on United States Bonds		\$223,815.73
Yield on United States Bonds 7-1-59 to 6-30-60		3.11%
Mortgages: Net Interest (7-1-59 to 6-30-60)		\$450,334.58
Yield on Mortgages 7-1-59 to 6-30-60		4.66%
Average Yield on Total Invested 7-1-59 to 6-30-60		3.69%
Comparison of Yield (3 year)		
Average Yield 7-1-57 to 6-30-58	3.31°°	
Average Yield 7-1-58 to 6-30-59	3.36°°	Ur .05°°
Average Yield 7-1-59 to 6-30-60	3.69°	UF .33%

### BENEFIT INFORMATION

### DEATH BENEFITS

Since the effective date of the Public Employees' Retirement System on July 1, 1945, death benefits have been paid to the beneficiaries of 797 members. Of this number 724 claims were paid as lump sum payments and the remaining 73 were elected as monthly survivorship annuities by the beneficiaries. One (1) beneficiary who was receiving a monthly survivorship annuity was removed from the payment roll because of death. During the fiscal year of 1959-60, sixty-nine (69) members were deceased with 61 beneficiaries electing the lump sum payment and 8 beneficiaries electing the monthly survivor annuities.

### SERVICE RETIREMENTS

Since the effective date of July 1, 1945, 1,669 members have been retired under service retirements. One hundred and fifty two (152) of these service retirements were approved by the Board of Administration during the fiscal year 1959-60. A total of 1,186 were still on service retirement at June 30, 1960, with 483 having been removed from the retirement roll by death or reinstatement.

### DISABILITY RETIREMENTS

Since the effective date, July 1, 1945, 468 disability claims have been paid with 338 being the ordinary type disability and 130 the industrial type disability. During the fiscal year 1959-60 the Board of Administration approved 16 ordinary disability allowances and 11 industrial disability allowances. A total of 121 were still receiving ordinary disability allowances and 94 industrial disability allowances at June 30, 1960, with 253 having been removed from the disability roll by death or reinstatement.

### REFUNDS

During fiscal 1959-60, 5,002 refund applications were processed for terminating public employees compared with 4,768 for fiscal 1958-59, or an increase of 4.68%.

### **MEMBERSHIP**

The net membership at June 30, 1960, including members and retirants, was 17,148 as compared with a net membership of 18,014 at the end of the previous fiscal year. This represents a net membership decrease of 4.81%. The net membership figure decreased since an amendment to the Retirement System Act by the 1959 Legislature excludes from coverage all part-time or temporary help which does not exceed 60 working days in any one fiscal year. The retirement system during fiscal 1959-60 also made a special effort to contact all terminated public employees who had not withdrawn their contributions and removed many inactive accounts from the membership roll.

## BENEFIT PAYMENTS

(at 6-30-60)

	Industrial Disabilities Male Female	:	1		٦ (٠	7	0	-	10	9		_	İ		20
	Industrial Male	-	: -	→ <	‡ Մ	n (c	1.5	10	16	10	9	က			74
	Ordinary Disabilities Male Female			i	-	⊣ (°)	77	4	10	16	က	·	i		42
0, 1960	Ordinary I Male			:	:-	4	7	16	25	18	00	4	1		79
Age of Recipients at June 30, 1960	Survivorships  Female		<u>:</u> -		- 0	10	12	12	14	10	7	:	i		89
Age of Recipients	Surviv Male	;	:	:	:	_	7	:	2	:	:	•	:	•	4
1.	ments Female		:		. 2	1 :	:	16	62	94	99	25	4	-	269
	Retirements Male		:	:			:	14	223	275	241	115	44	ი :	917
	Age Group	25-29	30-34	40-44	45-49		55-59	60-64	65-69	70-74	75-79	80-84	85-89	30.34	

# 2. Age of Recipients at Effective Date of Benefit

		n						
			Death Benefit	enefit				
	Retire	Retirements	Survivorships	rships	Ordinary D	isabilities	Industria	Industrial Disabilities
Age Group	Male	Female	Male	Female	Male Femo	Female	Male	Female
25-29							C	
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	696	217	7	89	92	29	79	5

Of these members who originally elected to receive a benefit, 52 retirements, 13 ordinary disabilities and 5 in histial disabilities have since due 1 and a 1 metri. If it is not retirement by option. The are and sex of the heneficiary is indicated in chart No. 1. The are and sex of the original return is included for the henefit recipients who died prior to June 30, 1960 and no mentally allowance is being a first to show at what are the henefit was elected. Figures are not included for the henefit recipients who died prior to June 30, 1960 and no mentally allowance is being a first to show any benefit ity.

BENEFIT PAYMENTS (at 6-30-60)

## 3. By Year Benefit Payment Started

	Retirements Male	ents Female	Death Surviv Male	Death Benetit Survivorships Female	Ordinary Disabilities Male	disabilities Female	Industrial Disabilities Male Femo	isabilities Female
				:		;	-	
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55	7	-	-	7	ო	2	11	2
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137	•	40	!	17	12	2	14	4
86		32	;	4	4	2	9	_
108		30	:	7	9	1	9	_
29		13	1	1	4	1	2	-
696		217	4	89	92	29	79	15

### LUMP SUM DEATH BENEFIT PAYMENTS

7-1-45 to 6-30-60

AGE AT DEATH	Male	Female	AGE AT DEATH	Male	Female
18		1	54	17	
19	1		55	17	1
22	2	••••	58	20	1
23	3	1	57	16	1
25		2	58	17	6
26		1	59	23	1
27	2		60	20	2
28	2		61	24	2
29	5		62	. 27	3
30	3		63	31	3
31	1	1	64	25	2
32	3	1	65	. 20	4
33	2		66	. 26	6
34		1	67	. 31	2
35	2	****	68	16	
36	3	1	69	. 23	3
37	3	1	70	. 17	1
38	6	3	71	14	1
39	2	2	72	. 15	1
40	10	1	73	. 9	1
41	6	1	74	. 13	
42	9	1	75	. 10	
43	6	1	76	. 3	1
44	15	4	77	. 4	
45	14	1	78	. 2	1
46	5		79	. 2	••••
47	6	1		. 2	****
48	11	1	81	. 1	
49	16	5	83	. 1	
50	12	1	84	. 1	
51	7	4	86	. 2	
52	18	2	87	1	
53	15	3		640	84

### WHERE BENEFIT RECIPIENTS CAME FROM

(at 6-30-60)

	State Departments	Counties	Cities	School Districts	County High Schools	Other Agencies
Retirements	495	346	187	130	11	17
Death Benefit Survivorships	. 31	25	13	1	1	1
Ordinary Disabilities	. 60	33	19	7	1	1
Industrial Disabilities	50	21	16	4	1	2
	636	425	235	142	14	21

### LOCATION OF BENEFIT RECIPIENTS

(at 6-30-60)

Alaska	2
Arizona	9
Arkansas	1
California	51
Colorado	2
Florida	6
Idaho	6
Illinois	2
Ιοwα	1
Kansas	2
Maryland	1
Michigan	1
Minnesota	6
Missouri	4
Montana	1,301
Nevada	4
New York	1
North Dakota	2
Oklahoma	1
Oregon	18
South Carolina	1
South Dakota	2
Texas	1
Utah	4
Washington	38
Wisconsin	3
Wyoming	1
Washington D. C.	1
Sweden	1
	1 470
	1,473

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### MEMBERSHIP.

rny not The System had a net decrease in membership of 1,033 as of June 30, 1960. The net membership decrease was in part a result of the 1959

amendment to the Retirement Act that excludes from coverage all part-time or temporary help which does not exceed 60 working days in any one fiscal year. The retirement system during fiscal 1959-60 also made a special effort to contact all terminated public employees who had not withdrawn their contributions and removed many inactive accounts from the membership roll.	des from coverage all part-time or temporary help which does not exceed 60 working days in any g fiscal 1959-60 also made a special effort to contact all terminated public employees who had not many inactive accounts from the membership roll.	e all part-time so made a sp ccounts from	ecial effort to the membersh	help which de contact all tern ip roll.	oes not exceed ninated public	d 60 working c employees v	days in any who had not
MEMBERSHIP							
Fiscal Year	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51	1951-52
State Departments	1,677	2,864	3,242	3,285	3,731	4,312	4,763
Counties		29	1,129	1,348	1,460	1,748	1,980
Cities	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	203	488	610	712	762	822
School Districts		46	192	294	328	434	566
County High Schools			15	22	28	45	09
Other Agencies	8 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	20	64	84	66	86	103
Inactive Accounts			:	419	536	725	628
TOTAL	1,677	3,230	5,130	6,062	6,894	8,124	8,922
Fiscal Year 1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60
State Departments . 5,088	5,211	5,654	6,774	8,002	8,329	080'6	8,332
Counties 2,264	2,487	2,625	3,987	3,816	4,614	4,184	3,915
Cities 1,005	1,146	1,206	1,322	1,546	1,847	1,904	1,794
School Districts 628	728	775	957	1,080	1,244	1,271	1,320
County High Schools 62	72	82	06	135	124	115	112
Other Agencies	164	160	163	186	213	204	202
Inactive Accounts 560	380	314	333	312			
TOTAL 9,718	10,188	10,816	13,626	15,077	16,371	16,708	15,675

### STATE DEPARTMENTS:

Adjusted Compensation Division	8	Legislature	5
Adjutant General	28	Legislative Council	5
Aeronautics Commission	8	Library Extension Commission.	14
Agriculture Department	132	Liquor Control Board	288
Apprenticeship Council		Livestock Commission	63
Attorney General		Livestock Sanitary Board	35
State Auditor	22	Milk Control Board	7
Bank Examiners	22	School of Mines	77
Chancellor's Office	3	Northern Montana College of Education	45
Children's Center	85	Nurses Examining Board	2
Civil Defense	3	Board of Pardons	10
College, Montana State	819	Plumbing Examiners	1
Controller's Office	25	Poultry Improvement Board	2
Custodian, Capitol	74	Prison	208
Deaf and Blind School.	20	P. E. R. S	19
Director of the Budget	2	Public Instruction	67
District Judges	20	Public Welfare	281
Eastern Montana College of Education	70	Railroad & Oil Conservation	45
Entomologist	5	Registrar of Motor Vehicles	66
Equalization, Board of	122	Secretary of State	14
Examiners, State Board of	17	Soldiers' Home	26
Fish and Game Department	276	Supreme Court	16
Forestry Department	132	Taxation and Education Commission	l
Governor's Office	3	Teachers' Retirement System	7
Grass Conservation Board	1	Trade Commission	4
Hail Insurance	7	Training School	175
Board of Health	110	Treasurer's Office	6
Highway	2,526	Tuberculosis Sanitarium	321
Highway Patrol	49	U. C. C	280
Historical Library	24	University	543
Home for the Aged	22	Veterans' Welfare Commission	29
State Hospital	668	Vocational Rehabilitation	24
Industrial Accident Board	60	Vocational School for Girls	29
Industrial School	93	Water Conservation Board	94
Labor and Industry	3	Western Montana College of Education	22
Land and Investments.	22		
Law Library	3	STATE DEPARTMENTS TOTAL	8,332

### COUNTIES:

COOMTILD.			
County Attorneys	<b>3</b> 0	Madison County	36
Beaverhead County	53	McCone County	32
Big Horn County	<b>5</b> 5	Meagher County .	18
Blaine County	79	Missoula County	101
Broadwater County	26	Musselshell County	30
Carbon County	59	Park County	60
Carter County	21	Petroleum County	14
Cascade County	381	Phillips County	45
Chouteau County	79	Pondera County	51
Custer County	60	Powell County	39
Daniels County	39	Powder River County	24
Dawson County	51	Prairie County	28
Deer Lodge County	45	Ravalli County	56
Fallon County	27	Richland County	58
Fergus County	89	Roosevelt County	66
Flathead County	244	Rosebud County	54
Gallatin County	107	Sanders County	102
Garfield County	27	Sheridan County	108
Glacier County	57	Silver Bow County	184
Golden Valley County	18	Stillwater County	_ 36
Granite County	78	Sweet Grass County	27
Hill County	87	Teton County	. 66
Jefferson County	37	Toole County	. 123
Judith Basin County	63	Treasure County	16
Lake County	<b>9</b> 5	Valley County	62
Lewis & Clark County	197	Wheatland County	21
Liberty County	59	Wibaux County	28
Lincoln County	51	Yellowstone County	216
		COUNTIES TOTAL	3 915

### SCHOOL DISTRICTS:

No.	l Big Timber	3	No. 10 Chinook
No.	l Butte	93	No. 10 Conrad
No.	l Choteau	7	No. 10 Dillon
No.	l Circle	8	No. 10 Noxon 5
No.	l Corvallis	5	No. 12 Klein
No.	l Deer Lodge	12	No. 12 Rosebud5
No.	l Glendive	14	No. 12 Saco
No.	l Great Falls	264	No. 12 Stanford
No.	l Havre	0	No. 1 & 13 Box Elder
No.	l Helena	56	No. 13 Fairview
No.	l Garfield County	6	No. 13 Nashua 11
No.	l Lewistown		No. 14 Chinook
No.	l Miles City		No. 14 Malta 11
No.	l Missoula		No. 15 Custer
No.	l Plains		No. 15 Cut Bank
No.	l Red Lodge		No. 16 Havre
No.	l Scobey		No. 17 Culbertson
No.	1 Virginia City		No. 17 Hardin 23
No.	2 Alberton		No. 19 Brady
No.	2 Billings		No. 20 Plentywood
No.	2 Bridger		No. 21 Broadview
No.	2 Dodson		No. 23 Polson 13
No.	2 Helena		No. 23 Roberts
No.	2 Sunburst		No. 24 Three Forks
	2 Thompson Falls		No. 25 Hobson
No. No.	3 Cascade		No. 27 Augusta
	3 Hamilton		No. 28 Ronan 24
No.		_	
No.	3 Superior		No. 29 Belt
No.	4 Forsyth		
No.	4 Livingston		1.0. 01 0
No.	4 & 47 Whitehall	-	
No.	5 Kalispell		1.0. CO Digioni
No.	5 Park City		
No.	5 Sand Coulee		
No.	5 Sheridan		
No.	5 Sidney		
No.	5 Terry	_	1.0. 10 11494514
No.	6 Ryegate		No. 45 Wolf Point
No.	7 Bozeman		No. 50 East Glacier
No.	7 Hinsdale		No. 50 Hays
No.	7 Laurel		No. 52 Absarokee
No.	7 Townsend		No. 52 Ennis
No.	8 Elder Grove	_	No. 53 Wilsall
No.	8 Jordan		No. 55 Brockton
No.	9 Browning		No. 55 Roundup
No.	9 Chinook		No. 58 Geyser
No.	9 Dixon		No. 64 Melstone
No.	9 Musselshell	_	No. 75 Greenfield
No.	9 Opheim		No. 159 Winnett
No.	10 Anaconda	43	
			SCHOOL DISTRICTS TOTAL 1,32

### CITIES:

Anaconda	11	Hardin 33
Belt	3	Havre
Big Sandy	3	Helena . 125
Billings	228	Kalispell . 74
Bozeman	72	Laurel 25
Butte	175	Lavina 0
Cascade	3	Lewistown 24
Chinook	17	Libby
Choteau	13	Livingston 28
Circle	3	Malta 20
Columbia Falls	8	Miles City
Conrad	18	Missoula 132
Culbertson	3	Philipsburg 13
Cut Bank		Plains
Deer Lodge	16	Plentywood 9
Dillon	12	Polson
Dutton	3	Poplar 10
East Helena	-	Roundup 19
Fairfield	4	Ryegate 1
	-	Sidney 40
Fairview		Stanford 3
Forsyth	21	Townsend
Fort Benton		
Glasgow	46	Walkerville 1
Glendive	42	Whitefish 21
Great Falls	269	Winnett
Hamilton	18	Wolf Point 17
COUNTY HIGH SCHOOLS:		CITIES TOTAL
COUNTY HIGH SCHOOLS:	10	
Beaverhead County High		Jefferson County High 3
Beaverheod County High Broadwater County High	5	Jefferson County High 3 Missoula County High 39
Beaverheod County High  Broadwater County High  Custer County High	5 5	Jefferson County High3Missoula County High39Park County High4
Beaverheod County High Broadwater County High Custer County High Dawson County High	5 5	Jefferson County High3Missoula County High39Park County High4Powell County High7
Beaverheod County High  Broadwater County High  Custer County High  Dawson County High  Fergus County High	5 5 6 6	Jefferson County High3Missoula County High39Park County High4
Beaverheod County High  Broadwater County High  Custer County High  Dawson County High  Fergus County High  Flathead County High	5 5 6 6 19	Jefferson County High3Missoula County High39Park County High4Powell County High7Sweet Grass County High5
Beaverheod County High  Broadwater County High  Custer County High  Dawson County High  Fergus County High	5 5 6 6 19	Jefferson County High3Missoula County High39Park County High4Powell County High7
Beaverheod County High  Broadwater County High  Custer County High  Dawson County High  Fergus County High  Flathead County High	5 5 6 6 19	Jefferson County High3Missoula County High39Park County High4Powell County High7Sweet Grass County High5
Beaverheod County High  Broadwater County High  Custer County High  Dawson County High  Fergus County High  Flathead County High  Gallatin County High  OTHER AGENCIES:	5 6 6 19 3	Jefferson County High3Missoula County High39Park County High4Powell County High7Sweet Grass County High5COUNTY HIGH SCHOOLS TOTAL112
Beaverheod County High  Broadwater County High  Custer County High  Dawson County High  Fergus County High  Flathead County High  Gallatin County High  OTHER AGENCIES:  Anaconda Housing Authority	5 5 6 6 19 3	Jefferson County High 3 Missoula County High 39 Park County High 4 Powell County High 7 Sweet Grass County High 5  COUNTY HIGH SCHOOLS TOTAL 112
Beaverheod County High  Broadwater County High Custer County High  Dawson County High  Fergus County High  Flathead County High  Gallatin County High  OTHER AGENCIES:  Anaconda Housing Authority  Billings Water Department	5 6 6 19 3	Jefferson County High 3 Missoula County High 39 Park County High 4 Powell County High 7 Sweet Grass County High 5  COUNTY HIGH SCHOOLS TOTAL 112  Health District II 6 Health District III 2
Beaverheod County High Broadwater County High Custer County High Dawson County High Fergus County High Flathead County High Gallatin County High OTHER AGENCIES: Anaconda Housing Authority Billings Water Department Bitterroot Irrigation Dist	5 6 6 19 3	Jefferson County High 3 Missoula County High 39 Park County High 4 Powell County High 7 Sweet Grass County High 5  COUNTY HIGH SCHOOLS TOTAL 112  Health District II 6 Health District III 6 Health District III 2 Helena Housing Authority 4
Beaverheod County High  Broadwater County High Custer County High  Dawson County High  Fergus County High  Flathead County High  Gallatin County High  OTHER AGENCIES:  Anaconda Housing Authority  Billings Water Department  Bitterroot Irrigation Dist  Butte Housing Authority	5 6 6 19 3 5 85 10	Jefferson County High 3 Missoula County High 39 Park County High 4 Powell County High 7 Sweet Grass County High 5  COUNTY HIGH SCHOOLS TOTAL 112  Health District II 6 Health District III 2 Helena Housing Authority 4 Hill Co. Cemetery 5
Beaverheod County High  Broadwater County High Custer County High  Dawson County High  Fergus County High  Flathead County High  Gallatin County High  OTHER AGENCIES:  Anaconda Housing Authority  Billings Water Department  Bitterroot Irrigation Dist  Butte Housing Authority  Fort Shaw Irrigation Dist	5 6 6 19 3 5 85 10 6 12	Jefferson County High 3 Missoula County High 39 Park County High 4 Powell County High 7 Sweet Grass County High 5  COUNTY HIGH SCHOOLS TOTAL 112  Health District II 6 Health District III 2 Helena Housing Authority 4 Hill Co. Cemetery 5 Livingston Water Department 8
Beaverheod County High  Broadwater County High Custer County High  Dawson County High  Fergus County High  Flathead County High  Gallatin County High  OTHER AGENCIES:  Anaconda Housing Authority  Billings Water Department  Bitterroot Irrigation Dist  Butte Housing Authority  Fort Shaw Irrigation Dist  Great Falls Housing Authority	5 6 6 19 3 5 85 10 6 12 4	Jefferson County High 3 Missoula County High 39 Park County High 4 Powell County High 7 Sweet Grass County High 5  COUNTY HIGH SCHOOLS TOTAL 112  Health District II 6 Health District III 2 Helena Housing Authority 4 Hill Co. Cemetery 5 Livingston Water Department 8 Malta Dodson Irrigation 12
Beaverheod County High Broadwater County High Custer County High Dawson County High Fergus County High Flathead County High Gallatin County High  OTHER AGENCIES: Anaconda Housing Authority Billings Water Department Bitterroot Irrigation Dist Butte Housing Authority Fort Shaw Irrigation Dist Great Falls Housing Authority Greenfield Irrigation Dist	5 6 6 19 3 5 85 10 6 12 4 37	Jefferson County High 3 Missoula County High 39 Park County High 4 Powell County High 7 Sweet Grass County High 5  COUNTY HIGH SCHOOLS TOTAL 112  Health District II 6 Health District III 2 Helena Housing Authority 4 Hill Co. Cemetery 5 Livingston Water Department 8
Beaverheod County High  Broadwater County High Custer County High  Dawson County High  Fergus County High  Flathead County High  Gallatin County High  OTHER AGENCIES:  Anaconda Housing Authority  Billings Water Department  Bitterroot Irrigation Dist  Butte Housing Authority  Fort Shaw Irrigation Dist  Great Falls Housing Authority	5 6 6 19 3 5 85 10 6 12 4 37	Jefferson County High 3 Missoula County High 39 Park County High 4 Powell County High 7 Sweet Grass County High 5  COUNTY HIGH SCHOOLS TOTAL 112  Health District II 6 Health District III 2 Helena Housing Authority 4 Hill Co. Cemetery 5 Livingston Water Department 8 Malta Dodson Irrigation 12

### ACTUARIAL INVESTIGATION

In accardance with Section 68-501 (j), R.C.M., 1947, an actuarial investigation has been made of the mortality, service and campensation experience of the members and beneficiaries resulting in the Non-Ledger Assets and Nan-Ledger Liabilities as shown in the Assets and Liabilities Statement included in this report.

In making the evaluation of the reserve requirements for the Public Employees' Retirement System, one or two items prove worthy of mention, namely, that aut of the 10,154 male members the average salary per contributing member is \$3,244.00. The female employees, numbering 5,372, are receiving an average annual salary of \$2,224.00. Same degree of these average salaries can be accounted for through the fact that many of the contracting political subdivisions are counties where the maximum salary payable for the jab is fixed by the State Legislature.

The other fact of interest is that retired members of the System are living substantially longer than the rates of death assumed in the martality table upon which the rates are currently based. It required a transfer of \$245,455.00 from the Pension Accumulation Fund to the Annuity Reserve Fund, which is the fund out of which all annuity payments are made to retired members and originates from their contributions plus interest received up to the time of retirement.

It would seem as though, on the average, the male retirants are living  $3\frac{1}{2}$  to 4 years longer than anticipated and the female retirants are living 9 to  $9\frac{1}{2}$  years longer than that anticipated. This, of course, is an additional drain on the funds when there is as large a group of retirements as we currently have.

### STATE EXAMINERS COMMENTS

Cash balances, investments and outstanding checks were verified by direct examination and correspondence.

Capital, investment and administrative claims were checked for the period.

Minutes were up to date, well written and properly signed.

Verification notices have been mailed covering various types at benefit payments to individuals on all new recipients since the last examination. A spot check is being made an recipients of payments prior to this periad.

Harding Hanson
Deputy State Examiner

A copy of the examination report by the State Examiner's Office is on file in the Retirement System Office and is available for inspection during regular office hours.

